

## SENATE BILL No. 523

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-28-33; IC 6-2.5-5-13; IC 8-1-32.6-4.

**Synopsis:** High speed Internet service initiative. Requires the economic development corporation to develop a high speed Internet service deployment and adoption initiative, including the creation of a statewide geographic information system of telecommunications and information technology services. Exempts from the state gross retail tax certain tangible personal property related to the provision of broadband services. Includes residential property in the definition of "multitenant real estate" for purposes of providing access to real property by communications service providers.

**Effective:** July 1, 2009.

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**Hershman**

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January 15, 2009, read first time and referred to Committee on Utilities & Technology.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

## SENATE BILL No. 523

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 5-28-33 IS ADDED TO THE INDIANA CODE AS  
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2009]:

4 **Chapter 33. High Speed Internet Service Deployment and**  
5 **Adoption Initiative**

6 **Sec. 1. As used in this chapter, "GIS" refers to the statewide**  
7 **geographic information system described in section 6(1) of this**  
8 **chapter.**

9 **Sec. 2. As used in this chapter, "high speed Internet service"**  
10 **means a connection to the Internet that provides capacity for**  
11 **transmission at an average speed of at least two hundred (200)**  
12 **kilobits per second downstream, regardless of the technology or**  
13 **medium used to provide the connection.**

14 **Sec. 3. The general assembly makes the following findings:**

15 **(1) The deployment and adoption of high speed Internet**  
16 **service and information technology has enhanced economic**  
17 **development and public safety and improved health care,**



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educational opportunities, and the quality of life in Indiana.

(2) Continued progress in the deployment and adoption of high speed Internet service and information technology is vital to ensuring Indiana remains competitive and continues to create business and job growth.

(3) It is imperative to encourage and support the partnership of the public and private sectors in the continued growth of high speed Internet service and technology for the benefit of Indiana's residents and business.

Sec. 4. The corporation shall enter into a public-private partnership to implement a high speed Internet service deployment and adoption initiative to do the following:

(1) Ensure that all Indiana residents and businesses have access to affordable and reliable high speed Internet service.

(2) Improve technology literacy.

(3) Increase computer ownership and home use of high speed Internet service.

(4) Establish a local technology team in each county to improve technology use across multiple community sectors.

(5) Promote and sustain an environment conducive to statewide investment in high speed Internet service and technology.

Sec. 5. (a) A person or entity that provides data or other information to the corporation as part of the high speed Internet service deployment and adoption initiative may designate the data or information as confidential for purposes of IC 5-14-3-4, subject to the approval of the corporation.

(b) The corporation may enter into a nondisclosure agreement with a person or entity described in subsection (a) concerning proprietary information submitted to the corporation by the person or entity.

Sec. 6. The high speed Internet service deployment and adoption initiative must include the following components:

(1) A statewide geographic information system (GIS) of available telecommunications and information technology services, including high speed Internet service, that:

(A) maps the availability of high speed Internet service, including the percentage of households that have access to high speed Internet service, by census blocks established by the Bureau of the Census and depicted in the GIS; and

(B) uses the map to identify areas where high speed Internet service is inadequate or unavailable.

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The GIS must be updated at least every six (6) months.

(2) Tracking residential and business adoption and barriers to adoption of high speed Internet service, computer use, and related information technologies through data collected from end users on an annual basis.

(3) Creation of a local technology planning team in each county or other region designated by the corporation with members representing, to the extent possible, at least the following areas:

(A) Business.

(B) Telecommunications labor organizations.

(C) Education.

(D) Health care.

(E) Libraries.

(F) Community organizations.

(G) Local government.

(H) Tourism.

(I) Parks and recreation.

(J) Agriculture.

A team created under this subdivision shall track technology use within the area represented by the team, set goals to improve technology use, and develop a tactical business plan to achieve its goals.

(4) Collaboration with high speed Internet service providers and other technology companies to encourage deployment and use of high speed Internet service, especially in underserved areas, through the use of local demand aggregation, mapping analysis, and market intelligence.

(5) Programs to improve computer ownership and Internet access, including access to high speed Internet service, for underserved populations.

Sec. 7. The corporation may contract with a nonprofit organization to develop all or part of the initiative described in section 4 of this chapter. The nonprofit organization must have demonstrated competency in working with the public and private sectors to accomplish deployment and adoption of high speed Internet service and telecommunications and information technologies.

Sec. 8. This chapter may not be construed as authorizing the corporation to regulate communications service providers (as defined in IC 8-1-32.5-4).

Sec. 9. In implementing this chapter, the corporation shall

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consult with the Indiana finance authority to avoid unnecessary duplication of efforts under this chapter and IC 8-1-33.

SECTION 2. IC 6-2.5-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. (a) As used in this section, "broadband service" means a connection to the Internet that provides capacity for transmission at an average speed of at least two hundred (200) kilobits per second downstream, regardless of the technology or medium used to provide the connection.

(b) Transactions involving tangible personal property are exempt from the state gross retail tax, if either of the following applies:

(1) The property is:

(A) classified as central office equipment, station equipment or apparatus, station connection, wiring, or large private branch exchanges according to the uniform system of accounts which was adopted and prescribed for the utility by the Indiana utility regulatory commission; or

(B) mobile telecommunications switching office equipment, radio or microwave transmitting or receiving equipment, including, without limitation, towers, antennae, and property that perform a function similar to the function performed by any of the property described in clause (A); or

(C) mobile telecommunications customer equipment provided at no additional charge to a customer whose place of primary use is in Indiana;

and ~~(2)~~ the person acquiring the property furnishes or sells intrastate telecommunication service in a retail transaction described in IC 6-2.5-4-6.

(2) The property is:

(A) capable of providing broadband service;

(B) owned by or leased to a broadband service provider; and

(C) not located inside a customer's place of primary use.

Property under this subdivision does not include personal computers, modems, set top boxes, or related items used by a customer to facilitate a broadband connection.

SECTION 3. IC 8-1-32.6-4, AS ADDED BY P.L.27-2006, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. As used in this chapter, "multitenant real estate" means any:

(1) geographic area;

(2) building; or

(3) group of buildings;

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1 containing more than one (1) unit for ~~business~~ **residential or**  
2 **commercial** purposes. ~~The term includes office buildings and office~~  
3 ~~parks. The term does not include apartment buildings, condominiums,~~  
4 ~~or subdivisions.~~

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